

WALLA WALLA COUNTY COMBINED SPECIAL PURPOSE DISTRICTS
Walla Walla County, Washington
January 1, 1992 Through December 31, 1994

Schedule Of Findings) Burbank Irrigation District No. 4

1. Internal Controls Over The Depository Account Used By Burbank Irrigation District No. 4 Should Be Improved

Our audit revealed that the district's system of internal control over use of the depository account had weaknesses.

Specifically:

- Deposits to the account were not forwarded to the county treasurer in the amount or on the schedule required by RCW 43.09.240. The district made one monthly remittance to the treasurer in even thousand dollar amounts instead of remitting all collections.
- The checkbook was not maintained to clearly indicate the day to day balance in the depository account.
- Currency collections were not separately tracked from receipt from the customer into deposit to the account.

An internal control system consists of the plan of organization, methods, and procedures adopted by management to ensure that resource use is consistent with laws, regulations, and policies; that resources are safeguarded against waste, loss, and misuse; and that reliable data are obtained, maintained, and fairly disclosed in reports.

This was a practice that developed over time.

Errors or irregularities could take place in use of the depository account and not be detected in a timely manner and money is not available in the treasury for investment.

We recommend the district develop procedures to:

- Forward collections to the county treasurer in accordance with the law.
- Maintain the checkbook to clearly indicate the day to day balance in the depository account.
- Separately track currency collections into bank deposits.

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Schedule Of Findings) Fire Protection District No. 3

1. Fire Protection District No. 3 Should Protect The Minutes

The minutes for March, June, July, August, September, October, November, and December 1992 are missing.

RCW 42.32.030 states:

The minutes of all regular and special meetings except for executive sessions of such boards, commissions, agencies or authorities shall be promptly recorded and such records shall be open to public inspection.

The district did not keep minutes in a secured location.

Actions taken during the above months in 1992 were not included in audit testing and the missing minutes are not available for public inspection.

We recommend the district provide a sure site for safekeeping of minutes. We further recommend the district continue looking for the missing minutes.

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Schedule Of Findings) Fire Protection District No. 7

1. Fire Protection District No. 7 Should Improve The System Of Disposing Of Surplus Property

Our audit of Fire Protection District No. 7's system of disposing of surplus property revealed these weaknesses.

- The district does not establish and announce in an open public meeting the estimated value of surplus property prior to disposition.
- The district did not provide for public bidding on sale of surplus property.

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The district was not aware of the importance of disposing of surplus property in the above mentioned public manner.

There is no way to be assured that the district received adequate compensation for these disposed of and donated properties.

- A 1,000 gallon 1962 Ford tanker truck and pump were given to the City of Weston, Oregon for \$1.
- 4 hand-held radios were donated to Walla Walla Search and Rescue (a nonprofit corporation). An unsigned and undated bid sheet from Mike's 2-Way Radio Service estimates the trade-in value of the radios to be \$50 each.

We recommend the district establish an estimated value of surplus property prior to disposition or donation. We further recommend the district provide for public bidding on purchase of surplus property.